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# TOO GOOD TO BE TRUE....

A Column on Consumer Issues  
by Attorney General Wayne Stenehjem's  
Consumer Protection and Antitrust Division

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How to Avoid Credit Card Scams

ANYONE CAN QUALIFY FOR A MAJOR CREDIT CARD!

*Separated? Divorced? Bankrupt? Widowed?*

*Bad Credit? No Credit? No Problem!*

900-555-1111

*\*Make the call NOW and get the credit you deserve!*

*\*Even if you've been turned down before, you owe it to yourself and family!*

*\*Your major credit card is waiting!*

Ads like this may appeal to you if you have a poor credit history or no credit at all. But beware: while secured credit cards can be an effective way to build or re-establish your credit history, some marketers of secured cards make deceptive advertising claims to entice you to respond to their ads.

Secured and unsecured cards can be used to pay for goods and services. A secured card, however, requires you to open and maintain a savings account as security for your line of credit; an unsecured card does not. Yet another type of credit card is a "pay as you go card" also known as "stored value cards." These cards provide a fixed amount of money to purchase goods and services up to the amount on the card. Other applications allow the cardholder to direct how much money to place on a card and "replenish" it as needed.

But, sometimes these offers are not as good as they sound. Follow these precautions to avoid becoming a victim of credit card scams:

- Think twice about any offer to get "easy credit." No one can guarantee to get you credit. Before deciding whether to give you a credit card, legitimate credit providers examine your credit report.
- Investigate an offer before enrolling.
- Be cautious about calling 900 telephone numbers – charges may range from \$2 to \$50 or more.
- Many creditors make deceptive advertising claims to entice you to respond to their ads.

We often receive information from consumers who get offers for credit cards that will help restore their credit. While the consumer may think they are receiving a universal credit card, they actually are getting a card that is only good for purchases from that specific company's catalog.

If you are considering a secured card as a way to build or re-establish a credit record, make sure the issuer reports to a credit bureau. Companies called credit bureaus maintain your credit history; they collect information reported to them by banks, mortgage companies, department stores and to other creditors. If your card issuer doesn't report to a bureau, the card will not help you build a credit history.

*The Attorney General's Consumer Protection Division investigates allegations of fraud in the marketplace. Investigators also mediate individual complaints against businesses. If you have a consumer problem or question, call the Consumer Protection Division at 328-3404, toll-free at 1-800-472-2600, or 1-800-366-6888 (w/TTY). This article and other consumer information is located on our website at [www.ag.state.nd.us](http://www.ag.state.nd.us).*

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